

ASSEMBLY BILL

No. 1405

Introduced by Assembly Member Evans

February 22, 2005

An act to amend Section 31453 of the Government Code, relating to county retirement systems.

LEGISLATIVE COUNSEL'S DIGEST

AB 1405, as introduced, Evans. County retirement systems: valuation.

Existing law requires an actuarial valuation to be conducted at least every 3 years with respect to any retirement system established under the County Employees Retirement Law of 1937. Following the actuarial valuation, the board of retirement of the system is required to recommend to the county board of supervisors any changes in interest rates, contributions rates, or appropriations that are necessary, within 45 days prior to the beginning of the succeeding fiscal year.

This bill would require the board of retirement to make its recommendation to the board of supervisors, as described above, within 60 days. The bill would also make nonsubstantive, technical changes.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 31453 of the Government Code is
- 2 amended to read:
- 3 31453. An actuarial valuation shall be made within one year
- 4 after the date on which any system established under this chapter

1 becomes effective, and thereafter at intervals not to exceed three
2 years. The valuation shall be conducted under the supervision of
3 an actuary and shall cover the mortality, service, and
4 compensation experience of the members and beneficiaries, and
5 shall evaluate the assets and liabilities of the retirement fund.
6 Upon the basis of the investigation, valuation, and
7 recommendation of the actuary, the board shall, at least ~~45~~ 60
8 days prior to the beginning of the succeeding fiscal year,
9 recommend to the board of supervisors ~~such~~ any changes in the
10 rates of interest, in the rates of contributions of members, and in
11 county and district appropriations ~~as that~~ are necessary. With
12 respect to the rates of interest to be credited to members and to
13 the county or district, the board may, in its sound discretion,
14 recommend a rate ~~which that~~ is higher or lower than the interest
15 assumption rate established by the actuarial survey. ~~No~~ An
16 adjustment shall *not* be included in the new rates for time prior to
17 the effective date of the revision.